



FISCAL MEMORANDUM

SB 503 - HB 753

February 10, 2022

SUMMARY OF BILL AS AMENDED (006233, 013415): Authorizes a physical therapist, an occupational therapist, a speech-language therapist, and an audiologist to refer or order services within their scope of practice as part of a student's IEP.

FISCAL IMPACT OF BILL AS AMENDED:

Increase State Expenditures – \$493,200/FY22-23 and Subsequent Years

Increase Federal Expenditures – \$964,400/FY22-23 and Subsequent Years

The Governor's proposed budget for FY22-23, on page B-155, recognizes a recurring increase in state expenditures to the General Fund in the amount of \$491,300.

Assumptions for the bill as amended:

- In the 2019 – 2020 academic year, there were 131,408 IEP students in 145 school districts.
- Of those districts, 42 were TennCare participating districts with 38,623 TennCare enrollees. TennCare experienced claims payments of \$15,588,066.
- In December 2019, TennCare enrollment was 702,836 for ages 0-18. Tennessee population under 18 years of age is 1,509,247. It is estimated that 47 percent $[(702,836 / 1,509,247) \times 100]$ of the state child population is enrolled in TennCare.
- There are approximately 46,300 IEP students receiving health-related medical assistance services; therefore, 7,677 $(46,300 - 38,623)$ IEP student claims could be reimbursed after passage of the legislation.
- It is assumed 47 percent, or 3,608 $[7,677 \times 47.0\%]$ of those IEP students who are not currently in a TennCare participating school district are enrolled in TennCare.
- Based on data from TennCare's managed care organizations (MCOs), TennCare's MCO's average annual payment per Medicaid-enrolled IEP student was \$404.
- TennCare will pay claims for these students resulting in an increase in expenditures of \$1,457,632 $(3,608 \times \$404)$.
- These funds are 33.835 percent state dollars and 66.165 percent federal matching funds.
- The increase in state expenditures is \$493,190 $(\$1,457,632 \times 33.835\%)$ in FY22-23 and subsequent years.
- The increase in federal expenditures is \$964,442 $(\$1,457,632 \times 66.165\%)$ in FY22-23 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/cd